



Enhanced Fleet Modernization Program (EFMP) Guidelines

Today's Presentation

- Program Background
- Program Guidelines
- Additional Program Coordination

Background

- Voluntary scrap program for cars
 - ~\$30 million annually through 2023
 - Funded by \$1 per vehicle registration
- Two elements
 - Retirement-Only
 - Replacement
- Focus on areas with greatest air quality problem
- Consider flexible compensation and low-income populations

Program Partners: Replacement

- Air Resources Board - Adopts program guidelines
- Bureau of Automotive Repair - Contracts with Dismantlers
- Air Districts – Administer Replacement programs locally
 - South Coast and San Joaquin Valley
 - Contracts with 3rd parties for implementation

Retire & Replace Program

- Focus on low and moderate income motorists
- Set minimum requirements
- Administer through San Joaquin Valley and South Coast air districts
- Flexibility to implement varied models
 - Community outreach focused
 - Dealer-based

Timeline

- ARB adopted revisions – June 28th, 2014
- Expected Release of Modified Text– August/September, 2014
- Expected Final Regulation – Fall, 2014

Retire & Replace Incentives

Minimum Levels

Income Eligibility	Replacement Options			
	8 year old or newer	35+ Miles Per Gallon	Plug-In Hybrid or Zero ZEV	Alternative Mobility Options
Low Income <225% FPL	\$4,000	\$4,500	\$4,500	\$4,500
Moderate Income <300% FPL	-----	\$3,500	\$3,500	\$3,500
Above Moderate Income <400% FPL	-----	-----	\$2,500	\$2,500

Alternative Mobility Options

- Face-value of incentive must be at least as much as for a Zero Emission Vehicle (ZEV)
- Districts encouraged to negotiate with transit providers to maximize benefits above face value
- Can include multiple modes of transportation and options such as car-sharing memberships
- Flexibility needed for Regional solutions



Outreach

- Significant outreach required to increase participation
- Leverage existing dealership advertising methods
- Coordinate with existing programs to maximize benefits
- Additional admin funding to provide additional support to low-income participants

Improving Participation by Low-Income Motorists

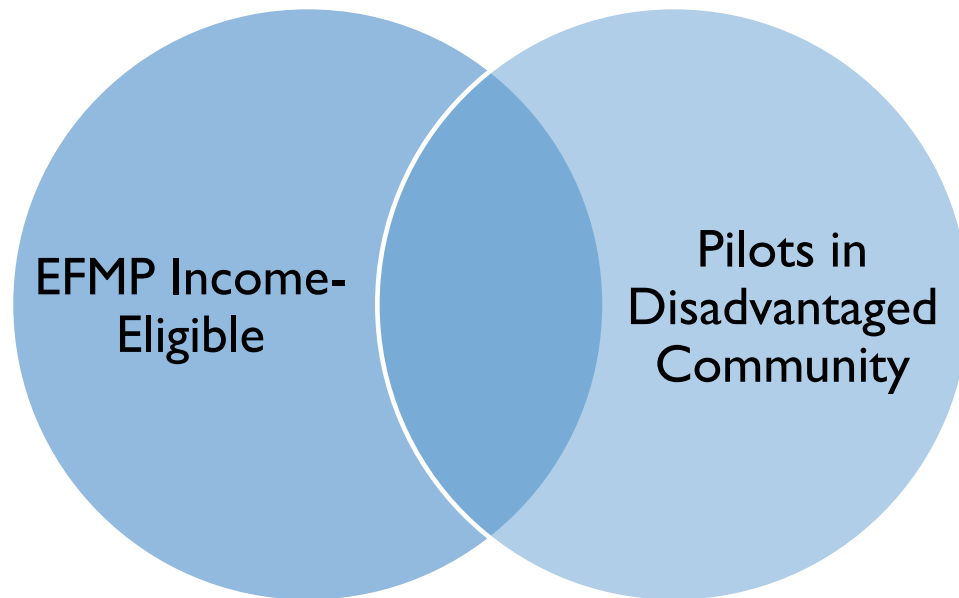
- Target outreach to low-income motorists and disadvantaged communities
- Establish relationships with trusted community organizations
- Assist participants to complete transaction
- Partner with Community Development Financial Institutions (CDFI) to help with financial education and low-cost financing

Consumer Protections

- Ensure participants receive full benefit of incentives
- Program oversight (program reviews and regular audits)
- Loan examples (financial counseling, etc.)
- Vehicle examples (independent vehicle inspection)

Additional Support for Disadvantaged Communities

Low Carbon Transportation Investments pilot projects will supplement EFMP



Guideline Summary

- Flexibility to implement regional solutions
- Ensures program serves low to moderate income households
- Sustains cleaner vehicle replacements
- Allows adjustments to maintain participation

